

HOUSE BILL No. 1780

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-2.5; IC 2-3-1-5; IC 2-3.5-1-5; IC 2-5-1.5; IC 5-10-8-1.1.

Synopsis: Legislative compensation commission. Establishes the legislative compensation commission. Authorizes the commission to adopt rules to fix the compensation of members of the general assembly. Provides that the general assembly retains authority to set legislative compensation by statute and to void a compensation rule of the commission. Requires the commission to meet before December 1, 2008, to fix the compensation of members of the general assembly. Provides for the expiration of the current statutes fixing legislative salary and legislative pensions on January 1, 2011. Provides that statutes that provide group insurance benefits for members of the general assembly do not apply to members covered by an insurance plan adopted by the commission. Makes an annual appropriation. Repeals the statute that establishes the public officers compensation advisory commission.

Effective: July 1, 2007.

Harris E

January 26, 2007, read first time and referred to Committee on Rules and Legislative Procedures.

C
o
p
y



Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1780

A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 2-2.5 IS ADDED TO THE INDIANA CODE AS A
2 **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2007]:

4 ARTICLE 2.5. LEGISLATIVE COMPENSATION

5 Chapter 1. Definitions

6 Sec. 1. The definitions in this chapter apply throughout this
7 article.

8 Sec. 2. "Commission" refers to the legislative compensation
9 commission established by IC 2-2.5-2-1.

10 Sec. 3. "Compensation element" refers to any of the following
11 elements of compensation:

12 (1) Salary.

13 (2) Deferred compensation.

14 (3) Health, vision, and dental insurance.

15 (4) Pension and other retirement benefits.

16 (5) Any other:

17 (A) amount paid to an individual; or

C
o
p
y



(B) benefit provided to an individual;
to compensate the individual for services provided as a
member of the general assembly.

Sec. 4. "Interested person" refers to any of the following:

- (1) An employee of the state.
- (2) An employee of a political subdivision (as defined in IC 36-1-2-13).
- (3) An employee of any other entity whose salary is paid in any part from funds derived from appropriations made by the general assembly.
- (4) A lobbyist registered under IC 2-7.
- (5) An individual who has a pecuniary interest in the compensation of a member of the general assembly. For purposes of this subdivision, an individual has a pecuniary interest in the compensation of a member of the general assembly if an increase in the compensation of a member of the general assembly will result in an ascertainable increase in the income or net worth of the individual.

Chapter 2. Legislative Compensation Commission

Sec. 1. The legislative compensation commission is established.

Sec. 2. (a) The commission consists of the following members:

- (1) Two (2) members appointed by the speaker of the house of representatives.
- (2) Two (2) members appointed by the minority leader of the house of representatives.
- (3) Two (2) members appointed by president pro tempore of the senate.
- (4) Two (2) members appointed by minority leader of the senate.

(b) An interested person may not be a commission member.

Sec. 3. (a) The term of a commission member begins on the later of the following:

- (1) July 1 after the member is appointed.
- (2) The day the member accepts the member's appointment.

(b) The term of a commission member expires on July 1 of the fourth year after the year the member's term begins.

(c) A commission member may be reappointed to serve a new term.

Sec. 4. (a) If there is a vacancy on the commission, the legislative leader who appointed the commission member, or that legislative leader's successor as the leader of the caucus, shall appoint an individual to fill the vacancy.

C
o
p
y



(b) A commission member appointed under this section shall fill the vacancy for the remainder of the unexpired term.

Sec. 5. (a) At the commission's last meeting before July 1 of each year, the commission shall elect one (1) member to be chair of the commission.

(b) A commission member who is elected chair of the commission serves as chair beginning July 1 after elected by the commission.

Sec. 6. Five (5) commission members constitute a quorum. The affirmative vote of at least five (5) commission members is necessary for the commission to take official action other than to do the following:

(1) Adjourn.

(2) Hear reports or testimony.

Sec. 7. The commission shall meet:

(1) at least two (2) times each odd-numbered year at the call of the chair; and

(2) at other times at the call of the chair.

Sec. 8. Each commission member is entitled to the following:

(1) The salary per diem provided under IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 9. The legislative services agency shall provide administrative support for the commission.

Sec. 10. (a) The commission may adopt rules under IC 4-22-2 to fix the compensation of members of the general assembly.

(b) The commission may by resolution adopt and amend rules to govern the commission's proceedings.

Sec. 11. There is annually appropriated to the legislative services agency from the state general fund money necessary for the operation of the commission.

Chapter 3. Adoption of Rules to Set Legislative Compensation

Sec. 1. (a) The commission shall meet at least one (1) time each odd-numbered year to do the following:

(1) Receive information relating to legislative compensation.

(2) Consider recommendations for appropriate legislative compensation.

(3) Take testimony relating to legislative compensation.

C
o
p
y



(4) Adopt, if necessary, proposed rules to fix legislative compensation. The commission is not required to change a compensation element if the commission considers the current compensation element appropriate.

(b) When developing rules to fix legislative compensation, the commission shall:

(1) consider information about all compensation elements and the value of those compensation elements provided to legislators of midwestern states and states demographically comparable to Indiana; and

(2) design the rules to make the value of all elements of legislative compensation comparable to the value of total compensation provided to legislators of the states considered by the commission under subdivision (1).

Sec. 2. (a) If the commission adopts proposed rules under section 1 of this chapter, the commission shall meet at least one (1) time each odd-numbered year before November 1 to adopt any final rules based on proposed rules adopted under section 1 of this chapter.

(b) The commission is not required to adopt a rule to change a compensation element if the commission considers the current compensation element appropriate.

(c) If the commission does not adopt a rule relating to a particular compensation element, that compensation element is the compensation element currently provided by law.

Sec. 3. (a) A final rule adopted under section 2 of this chapter must be published in the Indiana Register before it takes effect.

(b) Unless the general assembly voids the rule, a final rule takes effect January 1 after the first general election for members of the general assembly that occurs after the rule is published in the Indiana Register.

Sec. 4. This article does not affect the authority of the general assembly to do any of the following:

(1) Fix a compensation element by statute.

(2) Void a commission rule by statute before or after the rule takes effect.

SECTION 2. IC 2-3-1-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 5. This chapter expires January 1, 2011.**

SECTION 3. IC 2-3.5-1-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 5. This article expires January 1, 2011.**

C
o
p
y



1 SECTION 4. IC 5-10-8-1.1 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2007]: **Sec. 1.1. (a) As used in this section, "commission" refers**
4 **to the legislative compensation commission established by**
5 **IC 2-2.5-2-1.**

6 **(b) This chapter does not apply to a member of the general**
7 **assembly or a former member of the general assembly covered by**
8 **an insurance plan adopted by the commission under IC 2-2.5-3.**

9 SECTION 5. IC 2-5-1.5 IS REPEALED [EFFECTIVE JULY 1,
10 2007].

11 SECTION 6. [EFFECTIVE JULY 1, 2007] (a) **The definitions in**
12 **IC 2-2.5-1, as added by this act, apply throughout this SECTION.**

13 **(b) Not later than December 1, 2008, the commission shall meet**
14 **and adopt final rules fixing the compensation of members of the**
15 **general assembly.**

16 **(c) In addition to any changes in legislative compensation the**
17 **commission considers appropriate, the rules must restate any**
18 **compensation element provided by statute that the commission**
19 **considers appropriate as provided in the statute.**

20 **(d) This SECTION expires January 1, 2011.**

C
o
p
y

